

General Government





General Government

| <u>Original Appropriations</u> | <u>FY 1995</u> | <u>FY 2005</u> | <u>Annual % Chg</u> | <u>Total % Chg</u> |
|---|----------------|----------------|-------------------------|------------------------|
| <u>By Department or Division</u> | | | | |
| Administration, Dept. | \$79.5 | \$60.4 | (2.7%) | (24.1%) |
| Administration, Dept. | 20.4 | 36.9 | 6.1% | 80.8% |
| Building Fund Adv. Council | 56.9 | 21.3 | (9.3%) | (62.5%) |
| Capitol Commission | --- | 2.1 | --- | --- |
| Personnel Commission | 2.2 | --- | --- | (100.0%) |
| Attorney General | 9.9 | 15.2 | 4.4% | 54.1% |
| Controller, State | 9.1 | 11.1 | 2.0% | 21.8% |
| Governor, Executive Office of | 55.0 | 89.2 | 5.0% | 62.3% |
| Aging, Commission on | 8.1 | 12.0 | 3.9% | 47.3% |
| Arts, Commission on the | --- | 1.6 | --- | --- |
| Blind and Visually Impaired | 3.1 | 3.7 | 1.7% | 18.8% |
| Financial Management, Div. | 1.8 | 2.1 | 1.4% | 14.6% |
| Governor's Office | 8.6 | 1.6 | (15.4%) | (81.2%) |
| Human Resources, Div. | --- | 2.9 | --- | --- |
| Human Rights Commission | .6 | .8 | 2.9% | 32.8% |
| Insurance Fund, State | 9.3 | --- | --- | (100.0%) |
| Investment Board | .5 | --- | --- | (100.0%) |
| Liquor Dispensary | 7.7 | 11.3 | 3.9% | 46.9% |
| Military Division | 12.5 | 42.2 | 12.9% | 237.2% |
| Public Empl. Retire. Sys. | 2.7 | 9.0 | 12.8% | 234.0% |
| Species Conservation | --- | 2.1 | --- | --- |
| Women's Commission | .0 | .0 | 1.4% | 14.9% |
| Legislative Branch | 8.3 | 11.4 | 3.3% | 37.7% |
| Lieutenant Governor | .1 | .1 | 2.2% | 24.3% |
| Revenue & Taxation, Dept. | 20.3 | 30.7 | 4.2% | 51.5% |
| Tax Appeals, Board of | .1 | .3 | 14.2% | 278.1% |
| Tax Commission, State | 20.2 | 30.4 | 4.2% | 50.5% |
| Secretary of State | 3.6 | 2.3 | (4.2%) | (35.1%) |
| Arts, Commission on the | 1.7 | --- | --- | (100.0%) |
| Secretary of State | 1.9 | 2.3 | 2.1% | 22.9% |
| Treasurer, State | 1.2 | 2.0 | 4.9% | 61.6% |
| Treasurer, State | 1.2 | 1.9 | 4.6% | 56.6% |
| Idaho Millennium Fund | --- | .1 | --- | --- |
| Total | \$187.0 | \$222.5 | 1.8% | 19.0% |

Continued on next page

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|--------------------------------|----------------|----------------|-------------------------|------------------------|
| <u>By Fund Source</u> | | | | |
| General | \$47.0 | \$84.1 | 6.0% | 78.8% |
| Dedicated | 115.9 | 89.3 | (2.6%) | (23.0%) |
| Federal | 24.0 | 49.1 | 7.4% | 104.6% |
| Total | \$187.0 | \$222.5 | 1.8% | 19.0% |

Numbers Displayed in Millions of Dollars and May Not Add Due to Rounding

- ◆ The Capitol Commission was formed in 1998 to preserve the State Capitol building.
- ◆ The functions of the Personnel Commission were transferred to the Office of the Governor in FY 2000 and reorganized as the Division of Human Resources.
- ◆ In 2003 the Legislature moved the Commission on the Arts out from under the Secretary of State and placed it within the Office of the Governor.
- ◆ In 1998, the Legislature changed the State Insurance Fund from a state agency to an "independent body corporate politic". As a result, its funding is no longer subject to review and appropriation by the Legislature.
- ◆ In 1998, the Legislature moved the Endowment Fund Investment Board out from under the Office of the Governor and placed it under the Land Board.
- ◆ The Office of Species Conservation was created by the Legislature in 2000 at the request of the Governor.
- ◆ The Idaho Millennium Fund was established by the Legislature in 2000 as the repository of all funds received by the State of Idaho under the tobacco Master Settlement Agreement. Beginning in FY 2004, only the non-governmental organization projects are shown in the appropriated amount. The government project appropriations are transferred to, and shown in, their respective agency budgets.

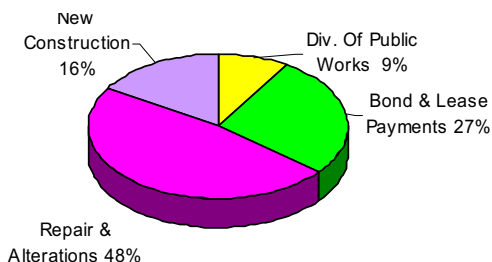
Permanent Building Fund or Capital Budget

Historical Sources of Revenue
(in millions)

| Revenues | FY 01 | FY 02 | FY 03 | FY 04 | FY 05 est |
|-----------------------|-------------|--------------|-------------|-------------|-------------|
| Income Head Tax | 6.4 | 5.9 | 5.7 | 5.7 | 5.8 |
| Cigarette Tax | 6.5 | 6.5 | 6.7 | 6.4 | 6.3 |
| Beer Tax | 1.3 | 1.3 | 1.3 | 1.4 | 1.5 |
| Sales Tax* | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Lottery | 9.0 | 7.5 | 9.0 | 10.3 | 12.5 |
| Budget Res. Interest | 6.0 | 10.5 | 1.1 | 0.0 | 0.3 |
| PBF Interest Earnings | 0.0 | 0.0 | 4.1 | 0.8 | 0.4 |
| Subtotal | 34.2 | 36.7 | 32.9 | 29.6 | 31.8 |
| General Fund money | 1.0 | 65.0 | 0.3 | 0.0 | 0.0 |
| GRAND TOTAL | 35.2 | 101.7 | 33.2 | 29.6 | 31.8 |

*The table does not reflect periodic reappropriations nor other miscellaneous revenue. In FY 2005, Permanent Building Fund revenues are appropriated for three things: for state-wide public works projects (indicated by the pie chart below), for part of the Division of Public Works' annual budget (about \$3 million), and for certain bond payments (about \$8.8 million).

FY 2005 Permanent Building Fund Appropriation \$21,337,700



- ◆ A five-person Council directs the Permanent Building Fund. Its members include two legislators (one each from the House and Senate), one banker, one contractor and one member of the business community.
- ◆ Lottery profits are split 50-50 between the Permanent Building Fund and Public School Facilities.

Permanent Building Fund

FY 2005 Appropriation—\$21,337,700

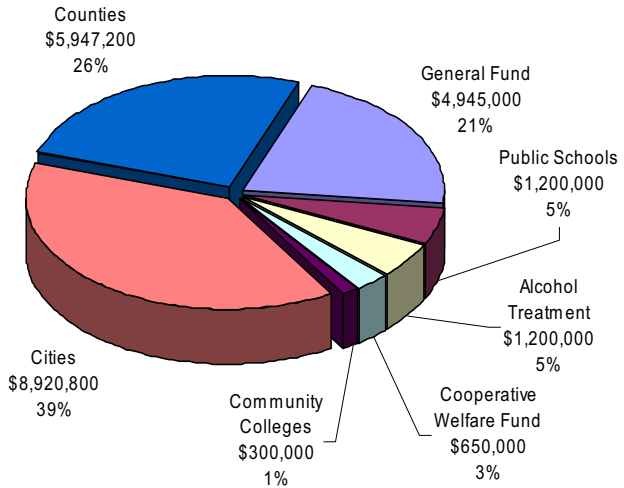
For FY 2005, the Legislature allocated most of the available Permanent Building Fund money, or \$16,037,700, for state-wide building maintenance (alteration and repair). This reflects an effort to maintain facilities already in use. In addition to maintenance projects two other projects were approved:

- ◆ \$4.6 million was authorized to construct the Idaho State Historical Society's Idaho History Center, Phase Two. Phase One of this project (an archives storage building) was designed and constructed during 1997 and 1998. Phase Two is for the design and construction of the library-administration portion of the project. This project will alleviate the current situation in which the agency has very limited space to provide for the public's use of what is a large and growing collection of historical documents, photographs, books, maps, oral histories, etc. The new building will accommodate the Library and Archives Division's needs for the next 20 years.
- ◆ \$700,000 was authorized for the Department of Administration and the Department of Labor (DOL) to purchase the portion of the Idaho Falls State Office Building occupied by DOL. Federal funds originally financed the section of the Office Building occupied by DOL. Pursuant to federal rules, once this portion of the Office Building is purchased by the Department of Administration, the DOL can then use the proceeds (\$700,000) to relocate their undersized Job Service Office to a larger facility in the same geographic region. The DOL plans to move from the current location which has approximately 9,000 square feet to a larger facility with about 15,000 square feet.

Other appropriations from the Permanent Building Fund included \$2,995,300 for the Division of Public Works' operating budget. Also, \$8,849,400 in bond payments was appropriated from the Fund. These bond payments go toward retiring the debt on several completed buildings and current construction projects across the state.

FY 2003 Distribution of Liquor Dispensary Earnings

Total — \$23,163,000



Statutory Profit Distribution Formula

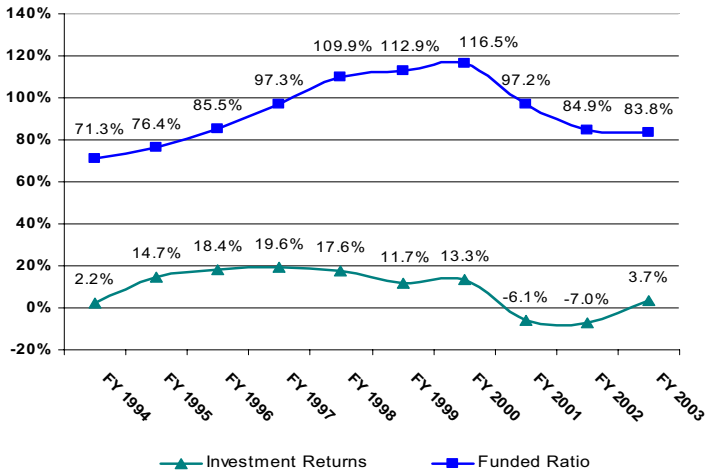
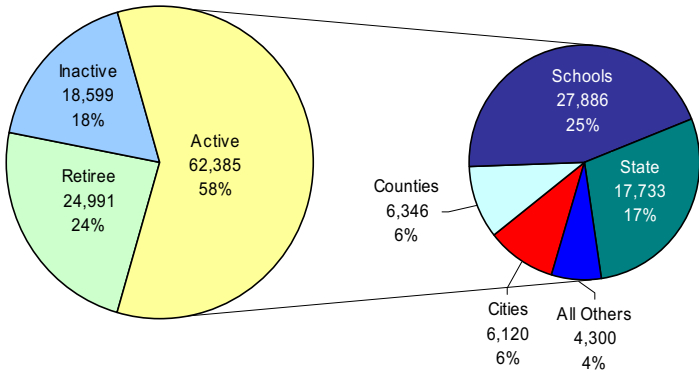
Annual fixed distributions totaling \$8,295,000 to the General Fund, Public Schools, Alcohol Treatment Fund, Cooperative Welfare Fund, and Community Colleges.

The remainder of the profits are distributed as follows:

- ◆ 40% to counties in proportion to sales in each county
- ◆ 60% to cities as follows: 90% to incorporated cities with liquor stores in proportion to sales and 10% to incorporated cities without liquor stores in proportion to population
- ◆ Beginning in FY 2004, a 2% surcharge on sales is transferred to the Drug and Family Court Services fund.

Public Employee Retirement System of Idaho

668 employer units belong to PERSI, for a total system membership of 105,975



The PERSI Base Plan experienced a 3.7% gross return on investments in FY03, which equals \$202.5 million in net investment gain. As of July 1, 2003, the PERSI fund was valued at over \$6.31 billion, up from \$6.08 billion the prior year. PERSI's unfunded actuarial liability at 19.4 years is less than the 25-year amortization period required by law. In November 2002, the PERSI board approved a total contribution rate increase including employee and employer rates, of 3% (phased-in over three years beginning in FY05). At the end of the phase in, contribution rates will be at the same level they were prior to November of 1997 when rates were originally reduced 3%.

Idaho Millennium Fund

\$ Millions

| Fiscal Year | Beg. Market Value | Receipts | Transfers to Gen. Fund | Earnings/ (Losses) | Transfers to Approp. | Ending Market Value |
|-------------|-------------------|----------|------------------------|--------------------|----------------------|---------------------|
| 2000 | | \$ 29.7 | | \$.5 | (\$.4) | \$ 29.8 |
| 2001 | \$ 29.8 | \$ 22.8 | | (\$ 2.1) | (\$ 1.8) | \$ 48.8 |
| 2002 | \$ 48.8 | \$ 26.6 | (\$ 19.3) | (\$ 4.2) | (\$ 2.4) | \$ 49.3 |
| 2003 | \$ 49.3 | \$ 26.7 | (\$ 70.3) | (\$.72) | (\$ 4.9) | \$ 0 |
| 2004 | \$ 0 | \$ 22.8 | | (\$.03) | \$ 0 | \$ 22.8 |
| 2005 | \$ 22.8 | \$ 23.8 | | \$.1 | (\$ 1.9) | \$ 46.8 |
| 2010 | \$ 181.8 | \$ 32.1 | | \$ 15.2 | (\$ 5.7) | \$ 223.4 |
| 2015 | \$ 406.7 | \$ 33.4 | | \$ 33.0 | (\$ 16.1) | \$ 457.0 |
| 2020 | \$ 672.7 | \$ 32.2 | | \$ 54.0 | (\$ 28.6) | \$ 730.2 |
| 2025 | \$ 983.5 | \$ 33.9 | | \$ 78.6 | (\$ 43.0) | \$ 1,053.0 |

- ◆ The 2000 Legislature established the Idaho Millennium Fund as an endowment fund structure to receive, invest and disburse funds that the state receives as a result of the master settlement agreement reached with tobacco companies. This legislation preserves the long-term capital value of these funds through a 5 percent annual distribution rule. Fund investments are managed by the State Treasurer.
- ◆ There is **NO** statutory restriction on how the money in the fund may be used. Idaho Code §67-1802 simply provides that “the uses of this fund shall be determined by legislative appropriation.”
- ◆ H701 (2002 Idaho Session Laws 156) transferred to the General Fund the April 2002 tobacco payment (\$19.3 million) distributed to the State of Idaho pursuant to the tobacco Master Settlement Agreement.
- ◆ S1517 (2002 Idaho Session Laws 205) transferred to the General Fund \$10 million from the fiscal year 2003 scheduled tobacco payments.
- ◆ S1195 (2003 Idaho Session Laws 341) transferred the following: (1) \$798,200 to the Income Fund for FY03 Millennium Fund appropriations; (2) \$2,438,700 to the Income Fund for FY04 Millennium Fund appropriations; (3) the entire remaining balance of the fund to the General Fund (\$40.7 million); and (4) \$16.3 to the General Fund from the April 2003 tobacco payment.

